



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

September 9, 2013

PAUL BREAZEALE, TREASURER
MISSISSIPPI REPUBLICAN PARTY
P. O. BOX 60
JACKSON, MS 39205

Response Due Date
10/15/2013

IDENTIFICATION NUMBER: C00084368

REFERENCE: AMENDED JULY MONTHLY REPORT (06/01/2013 - 06/30/2013),
RECEIVED 08/16/2013

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 2 item(s):

1. The Detailed Summary Page, on Line 18(a) Column A of your 2013 May Monthly (4/1/13-4/30/13), June Monthly (5/1/13-5/31/13), and Amended July Monthly (6/1/13-6/30/13), received 8/16/13, Reports combined, disclose \$41,373.60 in transfers from the non-federal account for allocated administrative activity for the reporting period. However, Line 21 (a)(ii) Column A discloses \$34,237.23 as the non-federal share for allocated administrative activity for the reporting period. While the non-federal account is permitted to transfer funds to the federal account for allocated activity, transfers for allocated activity must be made within a 70-day time period: no more than 10 days before or 60 days after the payment to the vendor. (11 CFR §§106.6(e)(2) and 106.7(f)(2)) Please clarify the nature of the transfers-in from the non-federal account.

The Commission recommends that you immediately transfer back to the non-federal account, the total excessive amount which was received by your federal account outside the 70-day time period. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

2. Your 2013 May Monthly (4/1/13-4/30/13), June Monthly (5/1/13-5/31/13), and Amended July Monthly (6/1/13-6/30/13), received 8/16/13, Reports

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combined, disclose limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, **rent**, utilities, salaries, telephone service, office equipment and supplies. Each state, district or local party committee utilizing separate federal and non federal accounts is required to allocate any administrative expenses (excluding salary) between the accounts according to a fixed percentage selected on Schedule H1. A Schedule H1 must be filed with the first FEC FORM 3X filed at the beginning of each calendar year. Payments for salary and wages for employees who spend more than 25% of their compensated time on Federal election activities or on activities in connection with a Federal election must be made from a federal account and disclosed on a Schedule B supporting Line 30(b) of the Detailed Summary Page. (11 CFR §106.7)

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b. Payments to a consulting, law or accounting firm will be considered acceptable for salary.

Clarification regarding administrative expenses should be provided during each two year election cycle beginning with the first report filed in the non election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

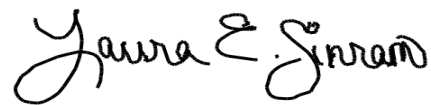
Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please

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contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1157.

Sincerely,

A handwritten signature in black ink that reads "Laura E. Sinram". The signature is written in a cursive style with a large, stylized "L" and "S".

Laura Sinram
Sr. Campaign Finance & Reviewing Analyst
Reports Analysis Division